

BUSINESS MEETING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Business Meeting)
)
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CALIFORNIA ENERGY COMMISSION
HEARING ROOM A
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

WEDNESDAY, JANUARY 24, 2001
10:03 A.M.

Reported by:
Valorie Phillips
Contract No. 170-99-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMISSIONERS PRESENT

William Keese, Chairman

Robert A. Laurie

Michal C. Moore

Robert Pernell

Arthur Rosenfeld

STAFF PRESENT

Steve Larson

William Chamberlain

David Mundstock

Jeri Scott

Virginia Lew

Eileen Allen

PUBLIC ADVISER

Priscilla Ross

ALSO PRESENT

Gary S. Rubenstein, Sierra Research,
for Calpine Corporation

Jeffery D. Harris, Attorney
Ellison, Schneider and Harris
for Calpine Corporation

Matthew T. Lamb
City of Huntington Beach

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1 P R O C E E D I N G S

2 10:12 a.m.

3 CHAIRMAN KEESE: We'll call this
4 Business Meeting of the Energy Commission to
5 order.

6 Commissioner Rosenfeld, would you lead
7 us in the Pledge, please.

8 (Whereupon, the Pledge of Allegiance was
9 recited in unison.)

10 CHAIRMAN KEESE: Thank you. As long as
11 we have lights we'll see how fast we can get done
12 with this today.

13 Consent calendar, and I will read item
14 2, the ownership change. Possible approval of an
15 ownership change of the High Desert Power Project,
16 LLC, to High Desert Power Trust, strike the
17 Limited.

18 Do I have a motion?

19 COMMISSIONER MOORE: Moved.

20 COMMISSIONER PERNELL: Second.

21 PRESIDING MEMBER ROSENFELD: Motion,
22 Commissioner Moore, second, Commissioner Pernell.
23 All in favor?

24 (Ayes.)

25 CHAIRMAN KEESE: Opposed? Adopted.

1 Item 2, energy conservation assistance
2 act account. Possible approval of a \$1 million
3 loan to the County of Alameda for installation of
4 a 500 kW photovoltaic system at the Santa Rita
5 Jail. This project is estimated to save the
6 County about \$124,000 in reduced electricity
7 costs.

8 COMMISSIONER PERNELL: Mr. Chairman.

9 CHAIRMAN KEESE: Commissioner Pernell.

10 COMMISSIONER PERNELL: This item came
11 before the Efficiency Committee and I'll just
12 state for the record this is not part of AB-970.
13 This is a loan that is repayable in 11 years. And
14 I would ask for approval. We have staff here to
15 answer any questions.

16 CHAIRMAN KEESE: Ms. Lew, this is a
17 photovoltaic array, is that what we're talking
18 about?

19 MS. LEW: Correct. This loan will be
20 used to supplement the cost of installing a 500 kW
21 PV system, as well as installing various energy
22 efficient improvements to the cooling plant at the
23 Santa Rita Jail.

24 CHAIRMAN KEESE: Is it a total project
25 of \$1 million, or are they putting --

1 MS. LEW: The total project costs is \$4
2 million.

3 CHAIRMAN KEESE: Four?

4 PRESIDING MEMBER LAURIE: Is 4 million.
5 And so the loan is only buying down about 25
6 percent of the cost.

7 CHAIRMAN KEESE: Thank you. Do we have
8 a motion?

9 COMMISSIONER PERNELL: Yes. Mr.
10 Chairman, I move staff recommendation for item
11 number 2.

12 COMMISSIONER ROSENFELD: Second.

13 CHAIRMAN KEESE: Motion, Commissioner
14 Pernell. Second, Commissioner Rosenfeld. Any
15 other? All in favor?

16 (Ayes.)

17 CHAIRMAN KEESE: Opposed? Adopted five
18 to nothing.

19 Item 3, Los Medanos Energy Center
20 Project. Possible approval of a petition from the
21 Calpine Corporation to modify the Commission
22 Decision for the Los Medanos Energy Center
23 project. The petition contains a request to
24 maximize the generating capability of the project
25 and add reliability to steam and power production,

1 among other things.

2 COMMISSIONER LAURIE: Mr. Chairman, this
3 matter has been presented to the Siting Committee.
4 The environmental aspects have been reviewed. I
5 would suggest a short report from Ms. Scott. And
6 then, as necessary, comments by interested
7 parties.

8 There will be a recommendation from the
9 Siting Committee.

10 CHAIRMAN KEESE: Thank you.

11 MS. SCOTT: Good morning. My name is
12 Jeri Scott, and I'm the Compliance Project Manager
13 for the Los Medanos Energy Center project.

14 This item contains a petition filed by
15 the Calpine Corporation to amend the Commission
16 Decision for Los Medanos.

17 In an effort to maximize the generating
18 capability of Los Medanos and to add reliability
19 to steam and power production, Calpine is seeking
20 approval of the following:

21 Increase combustion turbine and heat
22 recovery steam generator, duct burner, fuel
23 consumption limits to reflect full load operation
24 at the minimum ambient air temperatures. Revise
25 and increase air emission limits consistent with

1 new fuel consumption limits. Increase the size of
2 the auxiliary boiler from 266 to 320 million Btu
3 per hour. Also increase the size of the duct
4 burners; reduce the combustion turbine startup/
5 shutdown emission rates.

6 To provide fire protection capability
7 required by the insurance company a diesel-fired
8 pump will be added. And also to allow the plant
9 operators to shut the facility down in a
10 controlled manner in the event of a loss of
11 electricity power or a trip of the turbines. A
12 600 kW natural gas-fired emergency generator will
13 also be added.

14 Increased fuel consumption will cause an
15 increase in the daily and annual emission limits
16 of CO, NOx, POC, PM10 and SOx. However, Calpine
17 will fully mitigate for the increased emission
18 limits by providing emission reduction credits to
19 the Bay Area Air District.

20 This petition meets all the filing
21 criteria of 1769, regulations for post-
22 certification amendment changes.

23 Staff has completed their analysis and
24 determined that with the submission of the
25 emission reduction credits to the District,

1 increasing the fuel consumption and the size of
2 the duct burners and the auxiliary boiler will not
3 cause a significant impact on the environment.

4 Staff has established a compliance
5 mailing list. We updated that mailing list as
6 part of this petition process. Staff distributed
7 a notice of receipt, a copy of staff's draft
8 analysis to the mailing list prior to the first
9 workshop held in Pittsburgh on November 30th. We
10 did not receive any written comments on this
11 petition.

12 However, staff did publish a final
13 analysis on December 29th, incorporating the
14 additional educational information requested at
15 the first workshop, and our responses to the
16 questions we received during that workshop.

17 We conducted a second workshop on this
18 past Monday in the City of Pittsburgh. And there
19 will be no potential for significant environmental
20 impacts associated with the proposed change.

21 The project will remain in compliance
22 with all applicable laws, ordinances, regulations
23 and standards subject to the provisions of the
24 Public Resources Code section 25525.

25 The Bay Area Air District has approved

1 of Calpine's petition and plans to issue a revised
2 permit to operate following Commission's approval
3 of this petition.

4 The changes will benefit the project
5 owner and the public by providing Calpine the
6 means to operate a more efficient project and
7 provide additional electricity during peak demand
8 periods.

9 The changes will also enable Calpine to
10 better meet the demands of their steam host, USS
11 Posco. There has been a substantial change in
12 circumstances resulting in information that was
13 not available to the parties prior to the
14 Commission certification.

15 The changes that Calpine purchased Los
16 Medanos following the Commission certification,
17 and therefore could not make these modifications
18 during the siting process.

19 We recommend that the Commission adopt
20 our findings and modify the language in the air
21 quality conditions affected by this petition.

22 COMMISSIONER LAURIE: Ms. Scott, say
23 again the status of the credits. Have the credits
24 been submitted?

25 MS. SCOTT: I don't think they've been

1 submitted yet. Have they -- I don't think --

2 MR. RUBENSTEIN: Gary Rubenstein from
3 Sierra Research on behalf of the applicant, Los
4 Medanos Energy Center.

5 The credits are in the possession of
6 Calpine Corporation. The Bay Area District does
7 not require them to be surrendered until the
8 permit is issued. But we have documented that we
9 do have the credits and we will be surrendering
10 them.

11 COMMISSIONER LAURIE: Ms. Scott, do you
12 have any confirmation that such credits have, in
13 fact, been obtained by Calpine? Has the applicant
14 provided any such confirmation to you?

15 MS. SCOTT: No, they have not.

16 MR. RUBENSTEIN: If I may clarify that.
17 We identified in the application the specific
18 certificate numbers held by Calpine Corporation
19 which would be surrendered upon issuance of
20 permit.

21 MS. SCOTT: Okay, we do have that. But
22 we have not -- yes, we do have that. That is part
23 of --

24 COMMISSIONER LAURIE: Okay, well,
25 obviously the basis for my question is that --

1 well, I don't think we have an express policy, but
2 normally we don't condition projects on the
3 submittal of credits. Credits have to be either
4 in place or the District has to sign off. One of
5 the two.

6 So, what do we have in this case? Do we
7 have District sign-off?

8 MS. SCOTT: Excuse me, -- Guido.

9 MR. RUBENSTEIN: Commissioner Laurie, if
10 I might respond to that, I believe it's Commission
11 policy to require that prior to Commission
12 approval of any new project or any modification
13 that an applicant demonstrate that it has, in its
14 possession, or has control over all credits. And
15 we believe we have done that in the application
16 we've submitted both to the Commission Staff and
17 to the Bay Area District.

18 COMMISSIONER LAURIE: Well, okay, and
19 that's what I'm trying to get confirmation from
20 staff here.

21 MS. SCOTT: Calpine did submit to us a
22 statement stating that they did have control of
23 these emission reduction credits. We are aware of
24 that. Okay, but I personally am not aware of the
25 numbers or whatever of these emission reduction

1 credits.

2 But they did submit that earlier in the
3 process. And we are aware that they do have them
4 in their control. But they have not been
5 submitted to the District.

6 COMMISSIONER LAURIE: Mr. Harris, are
7 you in a position to represent that the offsets
8 you have under your control are sufficient to meet
9 the requirements of the District?

10 MR. HARRIS: Yes, we are.

11 COMMISSIONER LAURIE: And that is your
12 representation?

13 MR. HARRIS: Yes, it is. And Gary
14 Rubenstein can probably provide some further
15 elaboration, as well, as to the basis for that
16 representation.

17 MR. RUBENSTEIN: Commissioner Laurie,
18 I'm sorry I wasn't anticipating exactly this
19 question. The application that we submitted to
20 the Air District and the information we provided
21 to the Commission identified a series of several
22 certificates owned by Calpine Corporation, which
23 contained more than enough credits to cover the
24 small increase associated with this modification.

25 And in a subsequent letter to the

1 Commission and to the District, we identified the
2 specific certificates that would be used.

3 But, yes, I can state unequivocally that
4 Calpine has all the credits in its possession.

5 COMMISSIONER LAURIE: Okay, Mr.
6 Rubenstein, thank you.

7 COMMISSIONER PERNELL: Mr. Chairman.

8 CHAIRMAN KEESE: Commissioner Pernell.
9 We're on staff presentation right here, and then
10 we'll move to Calpine. Commissioner Pernell.

11 COMMISSIONER PERNELL: If I might follow
12 up on Commissioner Laurie's questions, simply a
13 letter indicating that you have some credits in
14 your possession, is that the criteria we're
15 looking for? Or do we need some type of certified
16 letter, or something that specifically says that
17 you have credits that you're going to use for this
18 project?

19 In staff defense, simply receiving a
20 letter saying that I have all of these credits and
21 some of them will be used, I don't think is
22 justification for having them -- I don't think
23 that's justification for us accepting the fact
24 that you have these credits and they're going to
25 be used for the purpose that staff is indicating.

1 All I'm looking for here is something
2 that directly points to the credits, and that they
3 will be used for the project.

4 MR. HARRIS: Again, I'm going to ask Mr.
5 Rubenstein to elaborate. Basically there's a
6 typical process that's followed in these
7 circumstances by the Commission. We're in that --

8 COMMISSIONER PERNELL: I'm sorry, I
9 can't --

10 MR. HARRIS: --typical process, and I'd
11 like Gary to document that for you so you know
12 we're hitting the milestones.

13 MR. RUBENSTEIN: Commissioner Pernell,
14 the standard process that this Commission applies
15 to projects, both new projects and to amendments,
16 is, as I said earlier, to require that applicants
17 clearly identify which certificates will be used
18 to provide emission credits for a project, and to
19 demonstrate to the agencies, to the Commission
20 Staff and to the Air District, that those credits
21 are within the company's control.

22 We are following that process here. In
23 this particular case it's actually very simple
24 because the certificates that are used are coming
25 from a certificate already owned by Calpine

1 Corporation.

2 In the application that we filed with
3 the Commission and with the Air District, we
4 identified banking certificate number 629, which
5 is already registered in Calpine's name, as being
6 the source of these credits.

7 There was a subsequent letter, I
8 believe, which may have changed that certificate
9 number from one certificate owned by Calpine to
10 another. I'm sorry I don't have that letter with
11 me, but I know it's in the staff's records.

12 But, in any event, there's a clear
13 identification of the certificate. That
14 certificate is being held currently by Calpine
15 Corporation. That information is verifiable on
16 the Bay Area District's website where they contain
17 a registry.

18 So I believe we have satisfied all of
19 the Commission's requirements necessary to show
20 that we have the credits for this project.

21 CHAIRMAN KEESE: Thank you. Okay, is
22 staff --

23 MR. MUNDSTOCK: Just to follow up on
24 that, if you look at the air analysis that staff
25 provided, the air quality analysis by Guido

1 Franco, at page 25 it specifically lists the
2 certificates that the applicant originally
3 submitted and will provide as offsets for this
4 amendment.

5 So this has never been a question.
6 There is no issue here. They have the offsets.
7 They identified the offsets. They will provide
8 the offsets.

9 CHAIRMAN KEESE: Thank you, I think that
10 takes care of that.

11 Staff, are you done with your
12 presentation on the project?

13 MS. SCOTT: Yes.

14 CHAIRMAN KEESE: Okay. Mr. Harris.

15 MR. HARRIS: Just a couple of things. I
16 think we've hit the main issues. Number one, I'll
17 say two things, number one, we absolutely concur
18 with the staff's findings regarding the impacts of
19 the amendment.

20 And the second thing that I'll say is
21 that I just want to thank the staff, the Bay Area
22 District Staff and the folks that participated in
23 the process in Pittsburg. And I think with that
24 I'll make ourselves available for questions.

25 CHAIRMAN KEESE: Do we have any

1 questions here? Do I have a motion to --

2 COMMISSIONER LAURIE: Yes, I have a
3 question. Ms. Scott, is it your recommendation
4 that the amendment be approved conditioned upon
5 the submittal of sufficient credits to satisfy the
6 needs of the District?

7 MS. SCOTT: Yes. In staff's testimony
8 on page 116, AQ-50 --

9 COMMISSIONER LAURIE: No, I don't know
10 what you're --

11 MS. SCOTT: Okay, well, then, yes, we
12 recommend submission of the emission reduction
13 credits.

14 MR. MUNDSTOCK: Commissioner, it's in
15 the conditions of certification as amended, so
16 that if you adopt the amendment you are adopting
17 the requirement that the offsets be submitted as
18 specified --

19 COMMISSIONER LAURIE: Okay, point to me
20 the page number of this specific --

21 MR. MUNDSTOCK: In your packet --

22 MS. SCOTT: AQ-50.

23 MR. MUNDSTOCK: -- air quality, there's
24 several air quality conditions --

25 COMMISSIONER LAURIE: Correct.

1 MR. MUNDSTOCK: -- that deal with offset
2 requirements. Now, I may not hit every single one
3 of them, but the first ones I find are air quality
4 condition 11, air quality condition 12, that start
5 listing the offset requirements. And I'm sure the
6 applicant or our air quality witness could hit
7 more of them.

8 But they're very specific as to the
9 offsets that have to be provided. And that's how
10 every air quality condition is always written at
11 the Commission, whether part of an AFC or part of
12 an amendment.

13 MR. RUBENSTEIN: If I might,
14 Commissioner Laurie, the condition that you're
15 looking for are condition AQ-49, as amended, as
16 that is on page 116, as Ms. Scott was indicating,
17 of the staff's air quality report.

18 That condition requires that prior to
19 issuance of a revised authority to construct for
20 the facility the applicant must demonstrate that
21 they hold the certificates in their possession.
22 We believe we've made that demonstration already.

23 The second requirement is in condition
24 AQ-50 immediately following.

25 COMMISSIONER LAURIE: Okay, thank you,

1 that's what I'm looking for. I was looking for
2 AQ-49. That's what I wanted.

3 CHAIRMAN KEESE: Thank you. Do I have a
4 motion?

5 COMMISSIONER LAURIE: Mr. Chairman, I
6 would move the recommendation of staff based upon
7 the revised conditions of certification, and based
8 further on the findings proposed by staff which
9 provides a foundation for the modification,
10 indicating that in light of the modification to
11 the conditions that there is no negative impact on
12 the environment.

13 CHAIRMAN KEESE: Motion by Commissioner
14 Laurie.

15 COMMISSIONER PERNELL: Second.

16 CHAIRMAN KEESE: Second by Commissioner
17 Pernell. Any further comment? Any public comment
18 on this?

19 Seeing none, all in favor?

20 (Ayes.)

21 CHAIRMAN KEESE: Opposed? Adopted five
22 to nothing.

23 COMMISSIONER LAURIE: Thank you,
24 gentleman; thank you, Jeri.

25 CHAIRMAN KEESE: Item 4, Los Medanos

1 Energy Center Project. Possible approval of a
2 Committee assignment. Any volunteers?

3 Seeing none I'll entertain a motion that
4 Commissioner Moore preside in this case, and
5 Commissioner Keese will be the --

6 COMMISSIONER LAURIE: So moved.

7 COMMISSIONER PERNELL: Second.

8 CHAIRMAN KEESE: Moved by Commissioner
9 Laurie, second by Commissioner Pernell.

10 MR. HARRIS: Question from the
11 applicant, if we could.

12 CHAIRMAN KEESE: Okay, the applicant may
13 ask a question.

14 MR. HARRIS: This is my first experience
15 with the assignment of a Committee for an
16 amendment. And I wanted to say a couple words
17 about that, if I could.

18 We obviously don't object if that's the
19 Commission's desire. I guess my major concern is
20 about schedule and about process. And could
21 somebody explain to me, I guess, a little bit more
22 about what you're envisioning the Committee doing,
23 since I've never been familiar with this
24 particular recommendation.

25 CHAIRMAN KEESE: Commissioner Laurie, do

1 you have --

2 COMMISSIONER LAURIE: Yes, I would
3 suggest Mr. Harris meet with staff. He can
4 probably get an answer more quickly.

5 The Committee will review the work by
6 staff and probably conduct -- well, I --

7 CHAIRMAN KEESE: It would be --

8 COMMISSIONER LAURIE: Commissioner Moore
9 is going to be Presiding Member. As far as
10 standard procedure, I suggest you talk to staff.

11 CHAIRMAN KEESE: I'm not sure there is a
12 standard procedure for where we're going here. I
13 think this issue goes beyond what staff is
14 comfortable with doing without a Committee. I'm
15 sure it will be a very, as expedited a process as
16 we can make it, is that correct?

17 MR. HARRIS: My question arises in part
18 because I think the recommendation for a Committee
19 was based in part upon the City of Pittsburgh's
20 interaction. And since that recommendation we've
21 reached an agreement with the City of Pittsburgh as
22 both the land owner and the --

23 CHAIRMAN KEESE: I believe that should
24 expedite this process.

25 MR. HARRIS: Okay, that's fine.

1 CHAIRMAN KEESE: Is that correct? We
2 believe this can be an expedited process.

3 MR. HARRIS: Okay, thank you.

4 CHAIRMAN KEESE: Thank you. Okay, we
5 have a motion and a second on appointing a
6 Committee.

7 All in favor?

8 (Ayes.)

9 CHAIRMAN KEESE: Opposed? Adopted five
10 to nothing. Thank you.

11 Item 5, Huntington Beach Generating
12 Station Retool Project. Possible approval of the
13 Executive Director's data adequacy recommendation
14 for the Huntington Beach Generating Station retool
15 project application for certification.

16 Ms. Allen.

17 MS. ALLEN: Good morning. I'm Eileen
18 Allen, the Staff Project Manager for the
19 Huntington Beach project.

20 Staff received a data adequacy
21 supplement for the Huntington Beach project on
22 Friday afternoon. This supplement was accompanied
23 by a letter in which the applicant, AES, requested
24 the six-month expedited process.

25 Staff has begun reviewing the materials

1 submitted on Friday afternoon. The AFC is now
2 adequate for 15 of 23 areas. Our review for the
3 remaining areas is still in progress.

4 Although the AFC is not yet adequate, in
5 the spirit of the expedited review process, staff
6 has begun to prepare data requests for the
7 information it still needs.

8 CHAIRMAN KEESE: Thank you. So, you're
9 recommending that we find it data inadequate and
10 put it over for another two weeks, is that --

11 MS. ALLEN: Yes, I am.

12 CHAIRMAN KEESE: Is that the
13 recommendation?

14 MS. ALLEN: Yes.

15 CHAIRMAN KEESE: Counsel, do we have to
16 make a finding here? I believe we made a finding
17 last week.

18 MR. CHAMBERLAIN: Yes, my only question
19 is whether basically we're recommending that all
20 the same categories are still completely
21 inadequate, or whether the new submission has
22 modified the categories that are inadequate.

23 CHAIRMAN KEESE: I heard that many more
24 categories were adequate now, but they haven't
25 completed all the categories, that's what the

1 report was.

2 So I believe we can just put this over
3 for two weeks, correct, counsel? We made a
4 finding two weeks ago.

5 MR. CHAMBERLAIN: Yes, I believe so.

6 CHAIRMAN KEESE: Thank you. We'll put
7 this item over, then. Do we have any further
8 questions from members of the Commission? The
9 item's over for two weeks.

10 Mr. Lamb is here from the City of
11 Huntington Beach. Would you like to comment, --

12 MR. LAMB: Yes. I do appreciate the --

13 CHAIRMAN KEESE: -- recognizing we're
14 going to put this over?

15 MR. LAMB: Yes, I do. I just wanted to
16 take a couple minutes. First of all, I want to
17 thank you for the opportunity to speak with you
18 this morning.

19 My name is Matt Lamb; I'm the Project
20 Manager that's working with staff on the AES
21 application.

22 The City of Huntington Beach, as well as
23 the rest of the state, is keenly aware of the
24 electrical power crisis that the state is facing.
25 The City is concerned, though, that we're getting

1 more information and research which gives
2 increasing credence to the connection between the
3 AES heated outfall and the interaction between the
4 Sanitation District outfall.

5 Basically the AES retool project, as
6 stated in their application, will more than double
7 the heated outfall. And AES' current application
8 is also based upon a thermal study which was
9 completed by SCE in 1972.

10 Further, the City of Huntington Beach
11 was impacted by AB bill 411, which came into
12 effect in July 1999. And as you may or may not be
13 aware of, the City of Huntington Beach, during
14 1999, had significant beach and water closures
15 which significantly impacted our economy.

16 Our concern is that as we move through
17 this process that as we look at this project that
18 that issue, the water resources issue, certainly
19 for the City of Huntington Beach, is a key issue
20 for us.

21 As a local economy we have over 9
22 million visitors annually. The City of Huntington
23 Beach is known as surf city. And we're looking
24 for both the Commission and Staff to take this
25 issue as one of our number one issues. And as you

1 go through this process, to make sure that this
2 project is mitigated properly, not only in this
3 area, of course, but in other areas.

4 But this is our number one issue and
5 we'd like to present that to you to make sure that
6 as you go through this process and -- we are aware
7 that there is a bill currently on the floor that's
8 being proposed by Assemblyman Wright, which is
9 going to give permission to start construction
10 prior -- if it's passed and brought to the floor,
11 to start construction prior to this process being
12 completed.

13 So that is why we're here today, to make
14 sure that you, as Commissioners, give a balanced
15 approach, which we certainly expect and know that
16 you will do that.

17 I appreciate the time to speak with you,
18 but that is our issue, and it's a real serious
19 issue. We're not trying to be naysayers in any
20 way, shape or form. We're working concurrently
21 with staff being a very positive influence as much
22 as we can.

23 But you can't have one project also and
24 devastate a local economy. You know, we are a
25 visitor-serving destination. And I think all of

1 you are aware of that.

2 We thank you for the opportunity to
3 speak, and we'll continue to work with staff. I'd
4 like to take the opportunity to thank staff for
5 working with us, and if there's any questions I
6 can answer, I certainly will.

7 CHAIRMAN KEESE: Thank you very much for
8 bringing this to our attention. Those of us who
9 read The L.A. Times this morning had it brought to
10 our attention, also.

11 Any further questions here? Thank you.
12 That will be taken up on February 7.

13 Item 6, then is over.

14 Item 7 will be put over also until
15 February 7.

16 Item 8 will be put over until February
17 7.

18 We have no minutes.

19 Do we have any Committee oversight?

20 Chief Counsel's report.

21 MR. CHAMBERLAIN: Yes, Mr. Chairman.
22 Mr. Chairman, I need a brief, closed session to
23 discuss a couple of litigation matters. That's
24 all.

25 CHAIRMAN KEESE: We will have an

1 executive session to discuss legal matters as soon
2 as we're done here.

3 Executive Director's report.

4 MR. LARSON: Nothing to report.

5 CHAIRMAN KEESE: Public Adviser's
6 report.

7 MS. ROSS: Nothing to report.

8 CHAIRMAN KEESE: Do we have any public
9 comment?

10 Seeing none, this meeting is adjourned,
11 subject to executive session in my office in three
12 minutes.

13 Thank you.

14 (Whereupon, at 10:33 a.m., the business
15 meeting was adjourned.)

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CERTIFICATE OF REPORTER

I, VALORIE PHILLIPS, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Business Meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said business meeting, nor in any way interested in outcome of said business meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of February, 2001.

VALORIE PHILLIPS

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

□